

July 12, 2006

Alicia Matthews
Director, Cable Division
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

## Dear Director Matthews

The Internet Innovation Alliance is an association of nonprofit groups, business associations, consumer advocates, think tanks, corporations and technology leaders. We believe in the power of the broadband Internet to improve Americans' lives by encouraging innovation and freeing the market forces that foster greater competition, job creation and economic growth.

The IIA is one of many public policy advocates supporting legislation to streamline cumbersome local video franchise regulations. Those regulations are a barrier to competitors trying to enter the cable market and compete with the traditional cable TV monopolies to provide video programming, including Internet-based video services, as well as high-speed Internet access, telephone, and other broadband services.

The laws governing the market we know as cable TV are also holding back a promising new source of high speed internet connections as well as internet-based phone services. True video franchise reform would expand networks and improve access for millions of Americans, especially those most sensitive to the inexorable price increases imposed by the cable giants.

Furthermore, broadband, high-speed digital and interactive video service could bring in a new wave of innovation to change our lives. Experts anticipate such reform-enabled innovations will lead to advances in healthcare, education and entertainment, while creating new jobs in Massachusetts and around the nation. But without video franchise reform, these innovations will emerge more slowly, costs will continue to rise and consumers will lose out.

The DTE must act to make sure Massachusetts is in the forefront of reforming these franchise laws by loosening cumbersome regulations that limit access to underserved markets from qualified providers. The proposal before you now that would achieve this. Approving it will help strengthen our economy and attract businesses looking to relocate to states with better information infrastructure.

It will also help increase access and service for the people who could most benefit from it. These networks can have an enormous effect on small- and home-based businesses' ability to market themselves and operate effectively, and they allow new means of doing business, such as telecommuting and home sourcing. That cuts gasoline consumption and car emissions.

We thank you for consideration of our views and look forward to your actions in this important area

Sincerely,

Larry Irving, Co-Chairman

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Bruce Mehlman, Co-Chairman

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